

*Publicly owned* means, owned by (1) the federal government, or (2) the government of any State or political subdivision thereunder.

*Sailing school vessel* means a vessel of less than 500 gross tons, carrying more than 6 individuals who are sailing school instructors or sailing school students, principally equipped for propulsion by sail even if the vessel has an auxiliary means of propulsion, and owned or demise chartered and operated by a qualified organization during such times as the vessel is operated exclusively for the purposes of sailing instruction.

*Sea-going towing vessel* means a sea-going commercial vessel engaged in or intending to engage in the service of pulling, pushing or hauling alongside, or any combination of pulling, pushing or hauling alongside.

*Self-elevating MODU* means a mobile offshore drilling unit with movable legs capable of raising its hull above the surface of the sea.

*Semi-submersible MODU* means a mobile offshore drilling unit with the main deck connected to an underwater hull by columns or caissons, that is intended for drilling operations in the floating condition.

*Small passenger vessel* means a vessel of less than 100 gross tons:

- (1) Carrying more than 6 passengers, including at least one passenger for hire;
- (2) That is chartered with the crew provided or specified by the owner or the owner's representative and carrying more than 6 passengers;
- (3) That is chartered with no crew provided or specified by the owner or the owner's representative and carrying more than 12 passengers; or
- (4) That is a submersible vessel carrying at least one passenger for hire.

*State* means a State of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands and any other territory or possession of the United States.

*Submersible MODU* means a mobile offshore drilling unit intended for drilling operations in the bottom-bearing condition, having the main deck connected to an underwater hull or pontoons by way of columns or caissons.

*Submersible vessel* means a vessel that is capable of operating below the surface of the water.

*Tank barge* means any tank vessel not equipped with means of propulsion.

*Tank vessel* means a vessel that is constructed or adapted to carry, or that carries, oil or hazardous material in bulk as cargo or cargo residue.

*Tankship* means any tank vessel propelled by power or sail, including an integrated tug and barge designed to operate together only in the pushing mode.

*User fee anniversary date* means the date on which a vessel's annual inspection fee is due each year. Once established by the Coast Guard, a vessel's user fee anniversary date remains fixed for as long as the vessel remains in service.

*Vessel identification number (VIN)* means a U.S. official number, a number assigned by a State, a number assigned by the Coast Guard, or a Lloyd's Register of Shipping identification number issued to a U.S. or foreign commercial vessel for purposes of vessel identification. For U.S. vessels, VIN means the number listed on the Certificate of Inspection. For foreign vessels, VIN means either the Lloyd's Register of Shipping identification number or the number assigned by the Coast Guard.

*Youth* means an individual 21 years of age or younger.

[CGD 91-030, 60 FR 13563, Mar. 13, 1995, as amended by CGD 96-067, 62 FR 19232, Apr. 21, 1997; CGD 97-057, 62 FR 51041, Sept. 30, 1997; CDG 96-067, 63 FR 59474, Nov. 4, 1998]

**§ 2.10-101 Annual vessel inspection fee.**

(a)(1) Unless otherwise provided by this subpart, each vessel required to have a Certificate of Inspection is subject to the annual vessel inspection fee listed in table 2.10-101 for its vessel category.

(2) A vessel certificated for more than one service must pay only the higher of the two applicable fees in table 2.10-101 of this section.

(b) The vessel owner or operator must pay the annual vessel inspection fee each year on or before the vessel's user fee anniversary date, unless the fee has been prepaid under § 2.10-105 of this subpart.

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(c) Payment of the annual vessel inspection fee entitles a vessel to all inspection services related to compliance with its Certificate of Inspection, including but not limited to the inspection for renewal of the Certificate of Inspection, reinspections (midperiod inspections), hull (drydock) inspections, deficiency inspections, damage surveys, repair and modification in-

spections, change in vessel service inspections, permit to proceed inspections, drydock extension inspections, and all inspections required for the issuance of international certificates.

(d) Entitlement to inspection services for the current year remains with the vessel if it is sold. The entitlement to inspection services may not be transferred to any other vessel.

TABLE 2.10-101—ANNUAL VESSEL INSPECTION FEES FOR U.S. AND FOREIGN VESSELS REQUIRING A CERTIFICATE OF INSPECTION

Any inspected vessel not listed in this table .....	\$1,030
Freight Barges:	
Length not greater than 150 feet .....	495
More than 150 feet but not more than 300 feet .....	610
More than 300 feet .....	955
Freight Ships:	
Length not greater than 100 feet .....	1,425
More than 100 feet but no more than 300 feet .....	1,870
More than 300 feet .....	5,410
Industrial Vessels:	
Length not greater than 200 feet .....	1,435
More than 200 feet .....	2,550
Mobile Offshore Drilling Units (MODUs):	
Drill ship MODUs .....	6,710
Submersible MODUs .....	4,695
Self-elevating MODUs .....	4,695
Semi-submersible MODUs .....	8,050
Nautical School Vessels:	
Length not greater than 100 feet .....	835
More than 100 feet but not more than 200 feet .....	1,450
More than 200 feet .....	7,205
Oceanographic Research Vessels:	
Length not greater than 170 feet .....	840
More than 170 feet but not more than 240 feet .....	1,980
More than 240 feet .....	3,610
Offshore Supply Vessels:	
Length not greater than 140 feet .....	1,135
More than 140 feet .....	1,470
Offshore Supply Vessels: Alternate Reinspection Program *:	
Length not greater than 140 feet .....	940
More than 140 feet .....	1,260
Passenger Barges:	
Less than 100 gross tons and:	
Less than 65 feet in length .....	300
65 feet or more in length .....	600
100 gross tons or more and:	
Certified for fewer than 150 passengers .....	2,215
Certified for 150 or more passengers .....	2,525
Passenger Ships:	
Length not greater than 250 feet:	
Certified for fewer than 150 passengers .....	3,600
Certified for 150 or more passengers .....	4,050
More than 250 feet but not more than 350 feet .....	5,330
More than 350 feet but not more than 450 feet .....	6,835
More than 450 feet .....	14,650
Sailing School Vessels:	
Length not greater than 30 feet .....	530
More than 30 feet but not more than 65 feet .....	560
More than 65 feet .....	980
Sea-going Towing Vessels .....	2,915
Small Passenger Vessels:	

TABLE 2.10-101—ANNUAL VESSEL INSPECTION FEES FOR U.S. AND FOREIGN VESSELS REQUIRING A CERTIFICATE OF INSPECTION—Continued

Less than 65 feet in length .....	300
65 feet or more in length .....	600
Tank Barges .....	500
Tankships:	
Length not greater than 100 feet .....	1,295
More than 100 feet but not more than 300 feet .....	2,310
More than 300 feet .....	5,805
Liquefied Gas Tankships .....	12,120

\*Note: Eligibility for the reduced annual vessel inspection fee for Offshore Supply Vessels is contingent upon the vessel's continued acceptance in the alternative reinspection program by the cognizant Officer in Charge, Marine Inspection.

[CGD 91-030, 60 FR 13563, Mar. 13, 1995, as amended by CGD 96-067, 62 FR 19232, Apr. 21, 1997; USCG-2004-18884, 69 FR 58341, Sept. 30, 2004]

#### § 2.10-105 Prepayment of annual vessel inspection fees.

(a) Vessel owners may prepay the annual vessel inspection fee for any period of not less than three years, and not more than the design life or remaining expected service life of the vessel.

(b) To prepay the annual vessel inspection fee for a period of three or more years, the owner must submit a written request to Commandant (G-MRP) specifying the vessel identification number and the period for which prepayment is to be made.

(c) The total of the annual fees for the requested prepayment period will be discounted to its net present value using the following formula:

$$PV = \sum_{t=0}^n \frac{R_0(1+\pi)^t}{(1+i)^t}$$

Where:

PV is the Present Value of the series of annual user fees to be prepaid (the net amount to be prepaid)

$R_0$  is the published user fee of the vessel

$i$  is the interest rate for 10-year Treasury notes at the time of prepayment calculation

$\pi$  is the rate of inflation (based on projected military personnel costs at the time of prepayment calculation)

$n$  is the total number of years to be prepaid

$t$  is the number of years after prepayment of the fee, for each annual increment ( $t=0, 1, 2, 3 \dots n$ )

(d) When the annual vessel inspection fee has been prepaid, the entitlement to inspection services for the prepayment period attaches to the vessel and

remains with the vessel if it is sold. The entitlement to inspection services may not be transferred to any other vessel.

(e) If a vessel is removed from Coast Guard certification and the vessel owner surrenders the vessel's Certificate of Inspection, the owner may request a refund of the remaining prepayment amount. The annual vessel inspection fee will not be refunded for the year in which the Certificate of Inspection is surrendered. The request for refund must be submitted to the Officer in Charge, Marine Inspection to whom the Certificate of Inspection is surrendered.

[CGD 91-030, 60 FR 13563, Mar. 13, 1995, as amended by CGD 95-072, 60 FR 50459, Sept. 29, 1995; CGD 96-041, 61 FR 50725, Sept. 27, 1996; USCG-1999-6216, 64 FR 53223, Oct. 1, 1999]

#### § 2.10-115 Changes in vessel service.

(a) If a vessel certificated for a single service, changes service, the annual vessel inspection fee is not adjusted during the year in which a change in service occurs. The annual vessel inspection fee for the new vessel category is payable on the vessel's user fee anniversary date immediately following the date of the change in service.

(b) If a change in service occurs and the annual vessel inspection fee has been prepaid, Commandant (G-MRP) will recalculate the prepayment